



February 26, 2016

ENGROSSED SENATE BILL No. 310

DIGEST OF SB 310 (Updated February 25, 2016 9:20 am - DI 75)

Citations Affected: IC 6-1.1; IC 36-4; IC 36-7.

Synopsis: Lake County pilot program and other local government matters. Establishes a three year pilot program applicable only in Lake County, that authorizes a redevelopment commission to: (1) establish an area known as a new opportunity area; and (2) sell any property that is held by the redevelopment commission and located in a new opportunity area at auction to the highest responsible and responsive bidder. Makes changes to the statute concerning determination of serial tax delinquencies to provide that: (1) a petitioner is required to serve
(Continued next page)

Effective: Upon passage.

**Rogers, Niemeyer, Merritt,
Randolph Lonnie M**

(HOUSE SPONSORS — SLAGER, SMITH V)

January 7, 2016, read first time and referred to Committee on Appropriations.
January 21, 2016, reassigned to Committee on Local Government pursuant to Rule 68(b).
January 28, 2016, amended, reported favorably — Do Pass.
February 1, 2016, read second time, ordered engrossed. Engrossed.
February 2, 2016, read third time, passed. Yeas 50, nays 0.

HOUSE ACTION

February 9, 2016, read first time and referred to Committee on Local Government.
February 25, 2016, amended, reported — Do Pass.

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Digest Continued

notice of a petition only on a person with a substantial property interest of public record, eliminating the need to serve notice on other appropriate parties; (2) a hearing date on a petition for a determination of serial tax delinquencies may be set not earlier than 30 days and not later than 60 days after the petition is filed (current law specifies that the hearing date may be set not earlier than 15 days and not later than 25 days after the petition is filed); and (3) property taxes and special assessments are removed from the tax duplicate as soon as an order is issued finding that serial tax delinquencies exist with respect to the subject properties, regardless of whether the petitioner acquires a tax deed for the properties. Provides that a petitioner for a tax deed under the normal tax sale statute may (instead of must) include various items of documentation with the petition. Adds Kosciusko County to the list of counties whose municipalities may annex noncontiguous territory for industrial park purposes.



February 26, 2016

Second Regular Session 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

ENGROSSED SENATE BILL No. 310

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-24.5-2, AS ADDED BY P.L.236-2015,
2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 2. (a) ~~Each year~~, After the county treasurer
4 certifies the tracts or items of real property ~~on the tax sale list as~~
5 **eligible for tax sale** under IC 6-1.1-24-1, if the county executive
6 reasonably believes that:

7 (1) ten (10) or more of the tracts or items of real property that
8 appear ~~on the tax sale list as eligible for tax sale~~ are owned by:

9 (A) one (1) person; or

10 (B) two (2) or more persons in a group of affiliated persons, in
11 any ownership relation between persons in the group of
12 affiliated persons and the tracts or items of real property; and

13 (2) the tracts or items of real property identified in subdivision (1)
14 were acquired ~~by their respective owners~~ in a previous tax sale
15 under IC 6-1.1-24;

16 the county executive may petition the court for a finding that serial tax
17 delinquencies exist with respect to the tracts or items of real property

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identified in subdivision (1).

(b) If each of the tracts or items of real property described in subsection (a)(1) and (a)(2) are located in the same city or town, the executive of the city or town may petition the court for a finding that serial tax delinquencies exist with respect to the tracts or items of real property identified in subsection (a)(1), if the county executive consents in writing to allow the city or town to file the petition.

SECTION 2. IC 6-1.1-24.5-3, AS ADDED BY P.L.236-2015, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. A petition filed with a court under this chapter must include all of the following:

(1) The legal description and parcel ~~description or property number~~ for each of the tracts or items of real property. ~~that are the subject of the petition.~~

(2) A statement that the tracts or items of real property that are the subject of the petition are located within the petitioner's territory.

(3) For each tract or item of real property that is the subject of the petition, the names of the persons who own the tract or item of real property. If the petitioner is alleging that the tracts or items of real property are owned by a group of affiliated persons, the petitioner must also specify each person's affiliation with at least one (1) other person in the group of affiliated persons.

(4) A statement that each ~~person that owns~~ **owner of record** of a tract or item of real property that is the subject of the petition:

(A) acquired the tract or item of real property in one (1) or more tax sales; and

(B) subsequently received a ~~tax~~ deed for the real property.

(5) For each tract or item of real property that is the subject of the petition, the amounts of the delinquent property taxes and special assessments that are owed at the time ~~the petition is filed; the property is certified as eligible for tax sale under IC 6-1.1-24-1.~~

(6) A statement that the delinquent property taxes and special assessments are payable to the county treasurer.

(7) A statement that if:

(A) the delinquent property taxes and special assessments on the tracts or items of real property that are the subject of the petition; **and**

(B) **the property taxes and special assessments that accrue after the property is certified as eligible for tax sale under IC 6-1.1-24-1;**

are not paid on or before the appearance date and time, the



petitioner will be entitled to an order directing the county auditor to issue a deed to each of the tracts or items of real property to the petitioner, without a right of redemption.

(8) A statement that if proof of payment of the **total amount of** delinquent property taxes and special assessments **for all tracts or items of real property specified under subdivision (1)** is tendered to the court on or before the appearance date and time, the court will dismiss the petition.

(9) If the petitioner is a city or town, a representation that the petitioner has furnished the county executive with a copy of the petition and the county executive consents to the requested relief.

SECTION 3. IC 6-1.1-24.5-4, AS ADDED BY P.L.236-2015, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. A petition filed under this chapter must be served on

(1) each person who has a substantial property interest of public record in any of the tracts or items of real property that are the subject of the petition ~~and~~

(2) ~~any other appropriate party;~~

in the manner prescribed by the Indiana Rules of Trial Procedure.

SECTION 4. IC 6-1.1-24.5-5, AS ADDED BY P.L.236-2015, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. When a court receives a petition from a county, city, or town seeking a determination of serial tax delinquency under this chapter, the court shall issue an order to each ~~person who owns~~ **owner of record** of a tract or item of real property that is the subject of the petition ~~and any other person the court considers appropriate~~ that directs the **person owner of record** to appear before the court at a date and time specified in the order and to show cause as to why the tracts or items of real property that are the subject of the petition should not be found to be serially delinquent. The court's order under this section must do the following:

(1) Direct the parties subject to the order to appear before the court at a date and time specified by the court. The date specified under this subdivision must not be:

(A) earlier than ~~fifteen (15)~~ **thirty (30)** days; or

(B) later than ~~twenty-five (25)~~ **sixty (60)** days; after the date of the court's order.

(2) Notify the parties subject to the order that any party ordered to appear:

(A) may present evidence or objections on the issue of serial delinquency to the court:



(i) in writing before the appearance date specified by the court under subdivision (1); or

(ii) in writing or by oral testimony at the date and time specified by the court under subdivision (1); and

(B) has the right to be represented by an attorney when appearing before the court.

(3) Notify the parties subject to the order that if the parties:

(A) fail to submit written evidence or objections to the court before the appearance date specified in subdivision (1); and

(B) fail to appear before the court at the date and time specified by the court order under subdivision (1);

the party's failure to submit evidence or objections or to appear before the court will result in a finding of serial tax delinquencies with respect to the tracts or items of real property that are the subject of the petition.

SECTION 5. IC 6-1.1-24.5-6, AS ADDED BY P.L.236-2015, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) If an order is entered under this chapter finding that serial tax delinquencies exist with respect to tracts or items of real property that are the subject of a petition under this chapter:

(1) the owners of the tracts or items of real property do not have a right of redemption with respect to the tracts or items of real property; and

(2) the tracts or items of real property may be disposed of by the petitioner in any lawful manner.

(b) If an order is entered under this chapter finding that serial tax delinquencies exist with respect to tracts or items of real property that are the subject of a petition under this chapter:

(1) the court shall send a copy of the order to the county auditor; ~~and~~

(2) the county auditor shall remove the tracts or items of real property from the tax sale list maintained by the county auditor under IC 6-1.1-24; ~~and~~

(3) the county auditor shall remove the taxes and special assessments for which the tract or item of real property became eligible for tax sale and all subsequent taxes, special assessments, interest, penalties, and costs of sale, from the tax duplicate in the same manner that taxes are removed by certificate of error.

SECTION 6. IC 6-1.1-24.5-9, AS ADDED BY P.L.236-2015, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. Subject to section ~~6(a)(1)~~ **6(a)** of this



chapter, a deed issued under section 7 of this chapter conveys the same fee simple interest in a tract or item of real property as a deed issued under IC 6-1.1-25.

SECTION 7. IC 6-1.1-25-4.6, AS AMENDED BY P.L.236-2015, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.6. (a) After the expiration of the redemption period specified in section 4 of this chapter but not later than three (3) months after the expiration of the period of redemption:

(1) the purchaser, the purchaser's assignee, the county executive, the county executive's assignee, or the purchaser of the certificate of sale under IC 6-1.1-24-6.1 may; or

(2) in a county where the county auditor and county treasurer have an agreement under section 4.7 of this chapter, the county auditor shall, upon the request of the purchaser or the purchaser's assignee;

file a verified petition in accordance with subsection (b) in the same court and under the same cause number in which the judgment of sale was entered asking the court to direct the county auditor to issue a tax deed if the real property is not redeemed from the sale. Notice of the filing of this petition shall be given to the same parties as provided in section 4.5 of this chapter, except that, if notice is given by publication, only one (1) publication is required. The notice required by this section is considered sufficient if the notice is sent to the address required by section 4.5(d) of this chapter. Any person owning or having an interest in the tract or item of real property may file a written objection to the petition with the court not later than thirty (30) days after the date the petition was filed. If a written objection is timely filed, the court shall conduct a hearing on the objection. If there is not a written objection that is timely filed, the court may consider the petition without conducting a hearing.

(b) Unless the county auditor and the county treasurer have entered into an agreement under section 4.7 of this chapter, a verified petition filed under subsection (a) ~~must~~ **may** include the following:

- (1) Copies of all notices sent under section 4.5 of this chapter.
- (2) Copies of all notices sent under this section.
- (3) Copies of all certified mail mailing receipts, return receipts, and returned mailing envelopes for notices sent under section 4.5 of this chapter.
- (4) Copies of all certified mail mailing receipts, return receipts, and returned mailing envelopes for notices sent under this section.
- (5) Copies or descriptions of the evidence used by the petitioner or the petitioner's assignor to identify the owner and other persons



1 with a substantial property interest of public record in the real
2 property.

3 (c) If the purchaser or the purchaser's assignee ~~fails to include~~
4 **includes** the documents described in subsection (b), the issuance of a
5 tax deed ~~does not constitute~~ **constitutes** prima facie evidence of the
6 sale referenced in subsection (k).

7 (d) If a verified petition is brought by the county auditor under an
8 agreement provided for under section 4.7 of this chapter, a tax deed
9 constitutes prima facie evidence of the validity of the sale referenced
10 in subsection (k) upon timely production by the county of all
11 documents described in subsection (b) in response to a challenge to a
12 tax deed.

13 (e) If the issuance of a tax deed does not constitute prima facie
14 evidence of the validity of the sale due to the failure to comply with
15 this section, the purchaser or the purchaser's successor has the burden
16 of proving the validity of the sale by a preponderance of the evidence
17 in any subsequent challenge to the sale.

18 (f) Not later than sixty-one (61) days after the petition is filed under
19 subsection (a), the court shall enter an order directing the county
20 auditor (on the production of the certificate of sale and a copy of the
21 order) to issue to the petitioner a tax deed if the court finds that the
22 following conditions exist:

23 (1) The time of redemption has expired.

24 (2) The tract or item of real property has not been redeemed from
25 the sale before the expiration of the period of redemption
26 specified in section 4 of this chapter.

27 (3) Except with respect to a petition for the issuance of a tax deed
28 under a sale of the certificate of sale on the property under
29 IC 6-1.1-24-6.1 or IC 6-1.1-24-6.8, or with respect to penalties
30 described in section 4(j) of this chapter, all taxes and special
31 assessments, penalties, and costs have been paid.

32 (4) The notices required by this section and section 4.5 of this
33 chapter have been given.

34 (5) The petitioner has complied with all the provisions of law
35 entitling the petitioner to a deed.

36 The county auditor shall execute deeds issued under this subsection in
37 the name of the state under the county auditor's name. If a certificate of
38 sale is lost before the execution of a deed, the county auditor shall issue
39 a replacement certificate if the county auditor is satisfied that the
40 original certificate existed.

41 (g) Upon application by the grantee of a valid tax deed in the same
42 court and under the same cause number in which the judgment of sale



was entered, the court shall enter an order to place the grantee of a valid tax deed in possession of the real estate. The court may enter any orders and grant any relief that is necessary or desirable to place or maintain the grantee of a valid tax deed in possession of the real estate.

(h) Except as provided in subsections (i) and (j), if:

(1) the verified petition referred to in subsection (a) is timely filed; and

(2) the court refuses to enter an order directing the county auditor to execute and deliver the tax deed because of the failure of the petitioner under subsection (a) to fulfill the notice requirement of subsection (a);

the court shall order the return of the amount, if any, by which the purchase price exceeds the minimum bid on the property under IC 6-1.1-24-5 minus a penalty of twenty-five percent (25%) of that excess. The petitioner is prohibited from participating in any manner in the next succeeding tax sale in the county under IC 6-1.1-24. The county auditor shall deposit penalties paid under this subsection in the county general fund.

(i) Notwithstanding subsection (h), in all cases in which:

(1) the verified petition referred to in subsection (a) is timely filed;

(2) the petitioner under subsection (a) has made a bona fide attempt to comply with the statutory requirements under subsection (f) for the issuance of the tax deed but has failed to comply with these requirements;

(3) the court refuses to enter an order directing the county auditor to execute and deliver the tax deed because of the failure to comply with these requirements; and

(4) the purchaser, the purchaser's successors or assignees, or the purchaser of the certificate of sale under IC 6-1.1-24 files a claim with the county auditor for refund not later than thirty (30) days after the entry of the order of the court refusing to direct the county auditor to execute and deliver the tax deed;

the county auditor shall not execute the deed but shall refund the purchase money minus a penalty of twenty-five percent (25%) of the purchase money from the county treasury to the purchaser, the purchaser's successors or assignees, or the purchaser of the certificate of sale under IC 6-1.1-24. The county auditor shall deposit penalties paid under this subsection in the county general fund. All the delinquent taxes and special assessments shall then be reinstated and recharged to the tax duplicate and collected in the same manner as if the property had not been offered for sale. The tract or item of real



property, if it is then eligible for sale under IC 6-1.1-24, shall be placed on the delinquent list as an initial offering under IC 6-1.1-24.

(j) Notwithstanding subsections (h) and (i), the court shall not order the return of the purchase price or any part of the purchase price if:

- (1) the purchaser or the purchaser of the certificate of sale under IC 6-1.1-24 has failed to provide notice or has provided insufficient notice as required by section 4.5 of this chapter; and
- (2) the sale is otherwise valid.

(k) A tax deed executed under this section vests in the grantee an estate in fee simple absolute, free and clear of all liens and encumbrances created or suffered before or after the tax sale except those liens granted priority under federal law, and the lien of the state or a political subdivision for taxes and special assessments that accrue subsequent to the sale. However, the estate is subject to all easements, covenants, declarations, and other deed restrictions and laws governing land use, including all zoning restrictions and liens and encumbrances created or suffered by the purchaser at the tax sale. Except as provided in subsections (b), (c), (d), and (e), the deed is prima facie evidence of:

- (1) the regularity of the sale of the real property described in the deed;
- (2) the regularity of all proper proceedings; and
- (3) valid title in fee simple in the grantee of the deed.

(l) A tax deed issued under this section is incontestable except by appeal from the order of the court directing the county auditor to issue the tax deed filed not later than sixty (60) days after the date of the court's order.

SECTION 8. IC 36-4-3-4, AS AMENDED BY P.L.207-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The legislative body of a municipality may, by ordinance, annex any of the following:

- (1) Territory that is contiguous to the municipality.
- (2) Territory that is not contiguous to the municipality and is occupied by a municipally owned or operated as either of the following:
 - (A) An airport or landing field.
 - (B) A wastewater treatment facility or water treatment facility.
 After a municipality annexes territory under this clause, the municipality may annex additional territory to enlarge the territory for the use of the wastewater treatment facility or water treatment facility only if the county legislative body approves that use of the additional territory by ordinance.
- (3) Territory that is not contiguous to the municipality but is



found by the legislative body to be occupied by:

(A) a municipally owned or regulated sanitary landfill, golf course, or hospital; or

(B) a police station of the municipality.

However, if territory annexed under subdivision (2) or (3) ceases to be used for the purpose for which the territory was annexed for at least one (1) year, the territory reverts to the jurisdiction of the unit having jurisdiction before the annexation if the unit that had jurisdiction over the territory still exists. If the unit no longer exists, the territory reverts to the jurisdiction of the unit that would currently have jurisdiction over the territory if the annexation had not occurred. The clerk of the municipality shall notify the offices required to receive notice of a disannexation under section 19 of this chapter when the territory reverts to the jurisdiction of the unit having jurisdiction before the annexation. Territory that is annexed under subdivision (2) (including territory that is enlarged under subdivision (2)(B) for the use of the wastewater treatment facility or water treatment facility) or subdivision (3) may not be considered a part of the municipality for purposes of annexing additional territory.

(b) This subsection applies to municipalities in a county having a ~~population~~ **any of the following populations:**

(1) More than seventy thousand fifty (70,050) but less than seventy-one thousand (71,000).

(2) More than seventy-five thousand (75,000) but less than seventy-seven thousand (77,000).

(3) More than seventy-one thousand (71,000) but less than seventy-five thousand (75,000).

(4) More than forty-seven thousand (47,000) but less than forty-seven thousand five hundred (47,500).

(5) More than thirty-eight thousand five hundred (38,500) but less than thirty-nine thousand (39,000).

(6) More than thirty-seven thousand (37,000) but less than thirty-seven thousand one hundred twenty-five (37,125).

(7) More than thirty-three thousand three hundred (33,300) but less than thirty-three thousand five hundred (33,500).

(8) More than twenty-three thousand three hundred (23,300) but less than twenty-four thousand (24,000).

(9) More than one hundred eighty-five thousand (185,000) but less than two hundred fifty thousand (250,000).

(10) More than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000). ~~or~~

(11) More than thirty-two thousand five hundred (32,500) but less



1 than thirty-three thousand (33,000).

2 **(12) More than seventy-seven thousand (77,000) but less than**
 3 **eighty thousand (80,000).**

4 Except as provided in subsection (c), the legislative body of a
 5 municipality to which this subsection applies may, by ordinance, annex
 6 territory that is not contiguous to the municipality, has its entire area
 7 not more than two (2) miles from the municipality's boundary, is to be
 8 used for an industrial park containing one (1) or more businesses, and
 9 is either owned by the municipality or by a property owner who
 10 consents to the annexation. However, if territory annexed under this
 11 subsection is not used as an industrial park within five (5) years after
 12 the date of passage of the annexation ordinance, or if the territory
 13 ceases to be used as an industrial park for at least one (1) year, the
 14 territory reverts to the jurisdiction of the unit having jurisdiction before
 15 the annexation if the unit that had jurisdiction over the territory still
 16 exists. If the unit no longer exists, the territory reverts to the
 17 jurisdiction of the unit that would currently have jurisdiction over the
 18 territory if the annexation had not occurred. The clerk of the
 19 municipality shall notify the offices entitled to receive notice of a
 20 disannexation under section 19 of this chapter when the territory
 21 reverts to the jurisdiction of the unit having jurisdiction before the
 22 annexation.

23 (c) A city in a county with a population of more than two hundred
 24 fifty thousand (250,000) but less than two hundred seventy thousand
 25 (270,000) may not annex territory as prescribed in subsection (b) until
 26 the territory is zoned by the county for industrial purposes.

27 (d) Notwithstanding any other law, territory that is annexed under
 28 subsection (b) or (h) is not considered a part of the municipality for the
 29 purposes of:

30 (1) annexing additional territory:

31 (A) in a county that is not described by clause (B); or

32 (B) in a county having a population of more than two hundred
 33 fifty thousand (250,000) but less than two hundred seventy
 34 thousand (270,000), unless the boundaries of the
 35 noncontiguous territory become contiguous to the city, as
 36 allowed by Indiana law;

37 (2) expanding the municipality's extraterritorial jurisdictional
 38 area; or

39 (3) changing an assigned service area under IC 8-1-2.3-6(1).

40 (e) As used in this section, "airport" and "landing field" have the
 41 meanings prescribed by IC 8-22-1.

42 (f) As used in this section, "hospital" has the meaning prescribed by



1 IC 16-18-2-179(b).

2 (g) An ordinance adopted under this section must assign the
3 territory annexed by the ordinance to at least one (1) municipal
4 legislative body district.

5 (h) This subsection applies to a city having a population of more
6 than twenty-nine thousand nine hundred (29,900) but less than
7 thirty-one thousand (31,000). The city legislative body may, by
8 ordinance, annex territory that:

9 (1) is not contiguous to the city;

10 (2) has its entire area not more than eight (8) miles from the city's
11 boundary;

12 (3) does not extend more than:

13 (A) one and one-half (1 1/2) miles to the west;

14 (B) three-fourths (3/4) mile to the east;

15 (C) one-half (1/2) mile to the north; or

16 (D) one-half (1/2) mile to the south;

17 of an interchange of an interstate highway (as designated by the
18 federal highway authorities) and a state highway (as designated
19 by the state highway authorities); and

20 (4) is owned by the city or by a property owner that consents to
21 the annexation.

22 SECTION 9. IC 36-7-14-22.5, AS AMENDED BY P.L.149-2014,
23 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24 UPON PASSAGE]: Sec. 22.5. (a) This section applies to the following:

25 (1) Real property:

26 (A) that was acquired by the commission to carry out a
27 redevelopment project, an economic development area project,
28 or an urban renewal project; and

29 (B) relative to which the commission has, at a public hearing,
30 decided that the real property is not needed to complete the
31 redevelopment activity, an economic development activity, or
32 urban renewal activity in the project area.

33 (2) Real property acquired under this chapter that is not in a
34 redevelopment project area, economic development area, or an
35 urban renewal project area.

36 (3) Parcels of property secured from the county under
37 IC 6-1.1-25-9(e) that were acquired by the county under
38 IC 6-1.1-24 and IC 6-1.1-25.

39 (4) Real property donated or transferred to the commission to be
40 held and disposed of under this section.

41 However, this section does not apply to property acquired under section
42 32.5 of this chapter (before its repeal).

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(b) The commission may do the following to or for real property described in subsection (a):

(1) Examine, classify, manage, protect, insure, and maintain the property.

(2) Eliminate deficiencies (including environmental deficiencies), carry out repairs, remove structures, and make improvements.

(3) Control the use of the property.

(4) Lease the property.

(5) Use any powers under section 12.2 of this chapter in relation to the property.

(c) The commission may enter into contracts to carry out part or all of the functions described in subsection (b).

(d) The commission may extinguish all delinquent taxes, special assessments, and penalties relative to real property donated to the commission to be held and disposed of under this section. The commission shall provide the county auditor with a list of the real property on which delinquent taxes, special assessments, and penalties are extinguished under this subsection.

(e) Subject to the prior approval by the legislative body of the unit, real property described in subsection (a) may be sold, exchanged, transferred, granted, donated, or otherwise disposed of in any of the following ways:

(1) In accordance with section 22, 22.2, 22.6, ~~or 22.7~~, **or 22.8** of this chapter.

(2) In accordance with the provisions authorizing an urban homesteading program under IC 36-7-17 or IC 36-7-17.1.

The commission shall provide to the legislative body of the unit at a public meeting all the information supporting the action the commission proposes to take under this subsection, including any terms and conditions to which the commission would have to agree to carry out the action.

(f) In disposing of real property under subsection (e), the commission may:

(1) group together properties for disposition in a manner that will best serve the interest of the community, from the standpoint of both human and economic welfare; and

(2) group together nearby or similar properties to facilitate convenient disposition.

SECTION 10. IC 36-7-14-22.8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 22.8. (a) This section applies only in Lake County as a three (3) year pilot program to obtain**



1 experience with the method of disposing of real property set forth
2 in this section.

3 (b) A redevelopment commission may establish a new
4 opportunity area in accordance with the criteria and procedures
5 set forth in this section. A redevelopment commission may dispose
6 of property to which section 22.5 of this chapter applies as
7 provided in this section if the property is located in a new
8 opportunity area.

9 (c) A redevelopment commission may determine that the
10 following findings apply to an area within the jurisdiction of the
11 redevelopment commission:

12 (1) At least one-third (1/3) of the parcels in the area are
13 vacant or abandoned, as determined under IC 36-7-37 or
14 another statute.

15 (2) At least one-third (1/3) of the parcels in the area have at
16 least one (1) of the following characteristics:

17 (A) The dwelling on the parcel is not permanently
18 occupied.

19 (B) Two (2) or more property tax payments owed on the
20 parcel are delinquent.

21 (3) None of the properties in the area have been annexed
22 within the immediately preceding five (5) years over a
23 remonstrance of a majority of the land owners within the
24 annexed area.

25 (4) The area cannot be improved by the ordinary operation of
26 private enterprise because of:

27 (A) the existence of conditions that lower the value of the
28 land below that of nearby land; or

29 (B) other conditions similar to the conditions described in
30 clause (A).

31 (5) Each of the parcels in the area are residential parcels that
32 are less than one (1) acre in size.

33 (6) The property tax collection rate over the immediately
34 preceding two (2) years has been less than sixty percent
35 (60%).

36 (7) The sale of parcels that are held by the redevelopment
37 commission and are located in the new opportunity area to
38 individuals and other private entities will benefit the public
39 health and welfare of the residents of the surrounding area
40 and the area governed by the commission.

41 (d) Whenever a redevelopment commission makes the findings
42 described in subsection (c), a redevelopment commission may



1 adopt a resolution declaring the area to be a new opportunity area.

2 (e) After a redevelopment commission adopts a resolution
3 declaring an area to be a new opportunity area, the redevelopment
4 commission may dispose of properties to which section 22.5 of this
5 chapter applies that are located in the new opportunity area by
6 using the following procedure:

7 (1) The redevelopment commission shall give notice in
8 accordance with IC 5-3-1 twice by publication, one (1) week
9 apart, with the last publication occurring at least ten (10) days
10 before the date on which the redevelopment commission
11 intends to convene the meeting described in subdivision (2).

12 The notice must include the following:

13 (A) The date, time, and place of the meeting described in
14 subdivision (2).

15 (B) A description of each parcel to be offered for sale by
16 parcel number and common address.

17 (C) A statement that the redevelopment commission:

18 (i) is accepting bids on the properties described under
19 clause (B); and

20 (ii) intends to sell each property described under clause
21 (B) to the highest responsible and responsive bidder.

22 (2) The redevelopment commission shall hold a meeting on the
23 date and at the time and place specified in the notice
24 described in subdivision (1) at which bids for the properties
25 described in the notice shall be opened and read aloud. The
26 redevelopment commission may thereafter sell each property
27 to the highest responsible and responsive bidder.

28 (f) This section expires July 1, 2019.

29 SECTION 11. An emergency is declared for this act.



Report of the President
Pro Tempore

Madam President: Pursuant to Senate Rule 68(b), I hereby report that Senate Bill 310, currently assigned to the Committee on Appropriations, be reassigned to the Committee on Local Government.

LONG

COMMITTEE REPORT

Madam President: The Senate Committee on Local Government, to which was referred Senate Bill No. 310, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 6, line 14, delete "This subsection does not apply if the petitioner is a political".

Page 6, line 15, delete "subdivision (as defined in IC 36-1-2-13)".

Page 6, line 15, strike "Unless the county auditor".

Page 6, strike line 16.

Page 6, line 17, strike "4.7 of this chapter,".

Page 6, line 17, delete "a" and insert "A".

Page 6, line 17, strike "must" and insert "**may**".

Page 6, line 30, delete "This subsection does not apply if the petitioner is a political".

Page 6, line 31, delete "subdivision (as defined in IC 36-1-2-13)".

Page 6, line 32, strike "fails to include" and insert "**includes**".

Page 6, line 33, strike "does not constitute" and insert "**constitutes**".

Page 10, line 32, after "(a)" insert "**This section applies only in Lake County as a three (3) year pilot program to obtain experience with the method of disposing of real property set forth in this section.**

(b)".

Page 10, line 38, delete "(b)" and insert "**(c)**".

Page 11, line 28, delete "(c)" and insert "**(d)**".

Page 11, line 29, delete "(b)," and insert "**(c),**".

Page 11, line 31, delete "(d)" and insert "**(e)**".

Page 12, between lines 14 and 15, begin a new paragraph and insert: "**(f) This section expires July 1, 2019.**"

Page 12, delete lines 15 through 42.



Delete pages 13 through 14.
 Page 15, delete lines 1 through 10.
 Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 310 as introduced.)

HEAD, Chairperson

Committee Vote: Yeas 8, Nays 0.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred Senate Bill 310, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 12, reset in roman "parcel".

Page 2, line 12, after "parcel description" insert "**or**".

Page 4, delete lines 40 through 42.

Page 5, delete lines 1 through 22.

Page 6, line 14, reset in roman "Unless the county auditor and the county treasurer have entered".

Page 6, line 15, reset in roman "into an agreement under section 4.7 of this chapter,".

Page 6, line 15, delete "A" and insert "a".

Page 9, between lines 9 and 10, begin a new paragraph and insert:
 "SECTION 10. IC 36-4-3-4, AS AMENDED BY P.L.207-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The legislative body of a municipality may, by ordinance, annex any of the following:

(1) Territory that is contiguous to the municipality.

(2) Territory that is not contiguous to the municipality and is occupied by a municipally owned or operated as either of the following:

(A) An airport or landing field.

(B) A wastewater treatment facility or water treatment facility.

After a municipality annexes territory under this clause, the municipality may annex additional territory to enlarge the territory for the use of the wastewater treatment facility or water treatment facility only if the county legislative body



approves that use of the additional territory by ordinance.

(3) Territory that is not contiguous to the municipality but is found by the legislative body to be occupied by:

(A) a municipally owned or regulated sanitary landfill, golf course, or hospital; or

(B) a police station of the municipality.

However, if territory annexed under subdivision (2) or (3) ceases to be used for the purpose for which the territory was annexed for at least one (1) year, the territory reverts to the jurisdiction of the unit having jurisdiction before the annexation if the unit that had jurisdiction over the territory still exists. If the unit no longer exists, the territory reverts to the jurisdiction of the unit that would currently have jurisdiction over the territory if the annexation had not occurred. The clerk of the municipality shall notify the offices required to receive notice of a disannexation under section 19 of this chapter when the territory reverts to the jurisdiction of the unit having jurisdiction before the annexation. Territory that is annexed under subdivision (2) (including territory that is enlarged under subdivision (2)(B) for the use of the wastewater treatment facility or water treatment facility) or subdivision (3) may not be considered a part of the municipality for purposes of annexing additional territory.

(b) This subsection applies to municipalities in a county having a ~~population~~ **any of the following populations:**

(1) More than seventy thousand fifty (70,050) but less than seventy-one thousand (71,000).

(2) More than seventy-five thousand (75,000) but less than seventy-seven thousand (77,000).

(3) More than seventy-one thousand (71,000) but less than seventy-five thousand (75,000).

(4) More than forty-seven thousand (47,000) but less than forty-seven thousand five hundred (47,500).

(5) More than thirty-eight thousand five hundred (38,500) but less than thirty-nine thousand (39,000).

(6) More than thirty-seven thousand (37,000) but less than thirty-seven thousand one hundred twenty-five (37,125).

(7) More than thirty-three thousand three hundred (33,300) but less than thirty-three thousand five hundred (33,500).

(8) More than twenty-three thousand three hundred (23,300) but less than twenty-four thousand (24,000).

(9) More than one hundred eighty-five thousand (185,000) but less than two hundred fifty thousand (250,000).

(10) More than two hundred fifty thousand (250,000) but less



than two hundred seventy thousand (270,000). ~~or~~

(11) More than thirty-two thousand five hundred (32,500) but less than thirty-three thousand (33,000).

(12) More than seventy-seven thousand (77,000) but less than eighty thousand (80,000).

Except as provided in subsection (c), the legislative body of a municipality to which this subsection applies may, by ordinance, annex territory that is not contiguous to the municipality, has its entire area not more than two (2) miles from the municipality's boundary, is to be used for an industrial park containing one (1) or more businesses, and is either owned by the municipality or by a property owner who consents to the annexation. However, if territory annexed under this subsection is not used as an industrial park within five (5) years after the date of passage of the annexation ordinance, or if the territory ceases to be used as an industrial park for at least one (1) year, the territory reverts to the jurisdiction of the unit having jurisdiction before the annexation if the unit that had jurisdiction over the territory still exists. If the unit no longer exists, the territory reverts to the jurisdiction of the unit that would currently have jurisdiction over the territory if the annexation had not occurred. The clerk of the municipality shall notify the offices entitled to receive notice of a disannexation under section 19 of this chapter when the territory reverts to the jurisdiction of the unit having jurisdiction before the annexation.

(c) A city in a county with a population of more than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000) may not annex territory as prescribed in subsection (b) until the territory is zoned by the county for industrial purposes.

(d) Notwithstanding any other law, territory that is annexed under subsection (b) or (h) is not considered a part of the municipality for the purposes of:

(1) annexing additional territory:

(A) in a county that is not described by clause (B); or

(B) in a county having a population of more than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000), unless the boundaries of the noncontiguous territory become contiguous to the city, as allowed by Indiana law;

(2) expanding the municipality's extraterritorial jurisdictional area; or

(3) changing an assigned service area under IC 8-1-2.3-6(1).

(e) As used in this section, "airport" and "landing field" have the



meanings prescribed by IC 8-22-1.

(f) As used in this section, "hospital" has the meaning prescribed by IC 16-18-2-179(b).

(g) An ordinance adopted under this section must assign the territory annexed by the ordinance to at least one (1) municipal legislative body district.

(h) This subsection applies to a city having a population of more than twenty-nine thousand nine hundred (29,900) but less than thirty-one thousand (31,000). The city legislative body may, by ordinance, annex territory that:

- (1) is not contiguous to the city;
 - (2) has its entire area not more than eight (8) miles from the city's boundary;
 - (3) does not extend more than:
 - (A) one and one-half (1 1/2) miles to the west;
 - (B) three-fourths (3/4) mile to the east;
 - (C) one-half (1/2) mile to the north; or
 - (D) one-half (1/2) mile to the south;
- of an interchange of an interstate highway (as designated by the federal highway authorities) and a state highway (as designated by the state highway authorities); and
- (4) is owned by the city or by a property owner that consents to the annexation."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 310 as printed January 29, 2016.)

PRICE

Committee Vote: yeas 9, nays 0.

